

# EXHIBIT D

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UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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ESTER LORUSSO,

Plaintiff,

-against-

1:07 CV 03583-LBS

ALITALIA-LINEE AEREE ITALIANE, SpA,

Defendant.

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DEPOSITION OF FRANCESCO GALLO

Monday, January 7, 2008

New York, New York

REPORTED BY:

Holly Hough

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A. I do recall Ms. LoRusso working in  
Reservation.

Q. At Alitalia?

A. Yes Alitalia. And then she was transfer  
and promoted to advertising and sales promotion.  
Then she was appointed as managing director for GA  
2000. After she was appointed to marketing cargo  
for North America, I believe. And that's where I  
left Ester up to when I was fired.

Q. So were you and Ester colleagues  
throughout the 17 to 18 years at Alitalia?

MR. KORAL: Objection.

Q. You can answer over his objection.

A. If you define colleague, they work for the  
same company, yes.

Q. Did there come a time when Ester's  
position as director of marketing communications was  
eliminated?

A. Yes.

Q. Do you recall approximately when that was?

A. No, probably 2004.

Q. Do you know whose decision that was to  
eliminate her position?

A. Mr. Galli and Mr. Libutti.

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Q. How do you know it was Mr. Galli's and Mr. Libutti's decision to eliminate Ester's job as director of marketing communications?

A. Because I was caucusing with them about how to eliminate Ester LoRusso.

MR. KORAL: Could you read the answer again, please, I didn't understand it.

(Previous answer was read.)

Q. You say you were caucusing with them on how to eliminate Ester LoRusso, what do you mean?

A. It was clear, and I was asked by Mr. Libutti and Mr. Galli that they wanted to fire Ester LoRusso.

Q. Did they tell you why they wanted to fire Ester LoRusso?

A. More than one reason, but the main reason is that Ester was reaching her 50th birthday and there was a program to substitute as much as possible old people at Alitalia, not just Ester LoRusso.

Q. What do you mean when you say there was a program to substitute?

A. Alitalia wanted to eliminate older people and substituted them with younger. Other reason

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that they understood it, but after that, they start -- and primarily Mr. Libutti -- to criticizing the system, that it was something unacceptable.

As a matter of fact, in one instance, I believe after six, seven months, he invite me to his office and reported to me that he had a meeting with the director of Banca Nazionale Del Lavoro and said, quote, Franco, I'm tired of this situation, that anything that we want to do here, firing people, you say that it is illegal.

I had a meeting with this gentleman and he said that he is doing whatever his place to do was needed to do with no problems, so I believe you have to change your attitude.

And I did not understand. Your protection is vis-a-vis those people, that those people mainly were lesbians, gays, old people, sick people, sick people. Came to a point that when you became ill, Alitalia was not the company they used to be.

Q. And as part of Mr. Libutti and Mr. Galli's decision to eliminate Ester's position at that time in 2004, who did they put in place to perform her duties, if anyone?

MR. KORAL: Objection.

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2 Q. Again, the objections are between he and  
3 I.

4 A. I tried to explain to them that it was not  
5 true what they were saying, that Alitalia could not  
6 fire people. I would say that Alitalia could do  
7 everything it was necessary to do to have Alitalia  
8 productive. The only thing that Alitalia could not  
9 discriminate because it was against the law.

10 They asked me which are the ways that are  
11 not discriminating. I was trying to explain,  
12 productivity, assiduity on the job, people that come  
13 and stay diligent on the work. A position that was  
14 not needed anymore and therefore eliminated,  
15 Alitalia should have tried to see if there was  
16 another position available within the company. And  
17 if not, unfortunately, the person could be  
18 terminated.

19 So I tried to tell them, you know, the  
20 possibilities. So it was not true what it was  
21 reporting me that I was blocking the termination  
22 process because I was not. As a matter of fact, it  
23 was not the first time Alitalia terminate,  
24 unfortunately had to terminate people for a business  
25 decision.

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So came a point, say, okay, Mr. Libutti call me that Alitalia Rome decided to eliminate that position. I say if the position is eliminated, what we should do, look if there is a position available for Ester LoRusso.

I was trying to object not on the decision that was made to eliminate Ester LoRusso, but I had specific questions, how it was possible and how operationally Alitalia would have operated here in North America when I knew for years that communication and advertising, main office, did avail themselves a lot on the contribution of Ms. LoRusso or the units in North America to perform that function, also in Italy, as well as the rest of the world.

It was still told me by Mr. Libutti that for a period of time there would have been a person that was working with Ms. LoRusso that was coordinating the job with Rome, and then in the second moment, that person would be transferred to Rome and perform the job there.

Q. What, I'm sorry?

A. I'm trying to remember this lady's name, but I don't remember.

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Q. Is her name Francesca Forte?

A. Yes. You know the story then.

MR. AKIN: I'm sorry, Francesca?

MS. KURZON: Francesca Forte.

A. It's F-o-r-t-e.

Q. Do you know how old Ms. Forte was at that time in 2004?

A. No, exactly her age, but definitely younger.

Q. When you say definitely younger, is that definitely younger than Ms. LoRusso?

A. Yes, otherwise she would not have been picked up.

Q. Had Ms. Forte been trained by Ms. LoRusso in New York?

A. Yes.

Q. And did Mr. Libutti tell you that he was purposely transferring Ms. LoRusso's duties to Rome so that he could terminate her?

MR. KORAL: Objection.

THE WITNESS: Ignore?

MR. AKIN: You can answer the question.

Q. Yes.

A. Yeah, not just Mr. Libutti, Mr. Galli as

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well.

Q. Anyone else?

A. I believe Mr. Gilardi was present in one of these meetings so he could help.

Q. Did Mr. Libutti or Mr. Galli or Mr. D'Ilario or anyone else instruct you to give Ms. LoRusso a severance at that time?

A. It was more than that. In the interim, we offered a package and Mr. Libutti thought Ms. LoRusso would be part of that group, but she was not 50 years old yet, for a few months, so she could not participate.

We had, myself and Mr. Libutti had one, two or three meetings with Ester LoRusso trying to have Ms. LoRusso, try to have Ms. LoRusso accept an ad hoc package, you know, resigning and signing proper documents on behalf of Alitalia.

And it was, there were more than, was more than one offer to Ester LoRusso. And I believe the last one that was offered to Ester was in the ballpark of \$300,000, but it was not accepted. So Mr. Libutti, after the last meeting, said, you have to find a solution to terminate her, even if we have to reach a compromise for Alitalia.

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Q. Did Ms. LoRusso say why she did not accept the package at that time?

A. She fought mainly because she was complaining to us that the reason why they wanted her out because they were discriminating her. She was fighting very hard, that was my perception, to fight for her job.

MR. AKIN: Let's take a two-minute break.

MS. KURZON: Sure.

THE VIDEOGRAPHER: We're going off the record at 11:00 a.m.

(A brief recess was taken.)

THE VIDEOGRAPHER: This is the beginning of tape two. We're going back on the record at 11:21.

Q. Mr. Gallo, other than what we have already discussed, did Mr. Libutti and/or Mr. Galli give you any other reason as to why they wanted to terminate Ester in 2004 other than the fact that they perceived her to be old?

MR. KORAL: Objection.

MR. AKIN: By Counsel, the second reason was that she had a sexual relationship with somebody. Do you want to include that too?

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MS. KURZON: Yes.

Q. Other than anything else we discussed, was there any reason other than the fact that she had sexual relations with top management in Rome and based on the fact that she was perceived as old?

MR. KORAL: Objection.

A. That's what I remember. Oh, one minute, excuse me. She was perceived to be a lesbian. Did I say that before? I don't remember.

Q. And who told you that?

A. Mr. Libutti.

Q. And what did he say, if you recall?

A. Came across with discussing the same story, so I don't remember exactly how it come up, but it came up more than once.

Q. In 2004 when you were having these discussions, do you know approximately how old Ester was at that time?

A. Late 40s, I believe.

Q. Did Mr. Libutti or Mr. Galli express that they wanted to get rid of everyone in their late 40s or just certain people or women or something else?

MR. KORAL: Objection.

A. Age was my sense, age, gays, lesbian.

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Q. Did she express to you why she felt that GA 2000 would close shortly after she was placed there?

A. I don't recall.

Q. Just to get back to your prior testimony regarding the severance offer that you and others made to Ms. LoRusso, you referenced a plan; is that an early-retirement plan?

A. Yes, it was, but she could not be part of it.

Q. Why could she not be part of it?

A. Because prerequisite of that preretirement is, if I recall well, minimum age, 50, 53, you know, there was going back and forth because -- I believe it was 50 or 53.

Q. During that time did Mr. Galli and/or Mr. Libutti tell you what age they would like the average woman to be in the New York office?

MR. KORAL: Objection.

A. The objective and part of the plan was to substitute older people with younger employees, no older than 30.

Q. How did you know that that was the objective?

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A. Because they told me.

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Q. What did they say?

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A. Exactly what I said.

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Q. That the objective was to have no

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employees older than 30 in the New York office?

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MR. AKIN: Let me just --

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Q. I'm sorry?

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A. To replace older people with younger, not

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older than 30.

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MR. AKIN: People they are hiring would be

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not older than 30.

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MR. KORAL: Okay, you're right.

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Q. Did Ester accept the position at GA 2000?

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A. Yes.

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Q. And do you recall what her title was?

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A. Managing director.

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Q. I apologize if I asked this already, but

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do you know why Ester was of the belief that GA 2000

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would close shortly after she started there?

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MR. KORAL: Objection. You did ask

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already.

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MR. AKIN: Answer, if you know.

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A. I don't recall, but I recall her concern

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was that Alitalia would terminated her during the

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DEPOSITION OF FRANCESCO GALLO

Friday, January 11, 2008

New York, New York

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placed, I would have given to either Ester LoRusso, no, to Stephanie Pedicini, Linda or Angela Ross, other people that were there before.

Q. Okay. And on your last day of employment, did you take any of these folders that we're discussing right now with you out of the office?

A. Absolutely not.

Q. You previously testified that you would have conversations with Mr. Libutti and he would write things down on a piece of paper and oftentimes throw them out.

Did you take contemporaneous notes for yourself or was Mr. Libutti the only one writing at this time?

A. Was Mr. Libutti because the note was done by me for Mr. Libutti.

Q. And how often did you meet with Mr. Libutti where he would write notes and then throw them out in reference to Ms. LoRusso and her complaints; was it more than three times?

A. Yeah, two, three times.

Q. Do you recall what those meetings were about in reference to Ms. LoRusso?

A. I would not characterize them as meetings.

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They were an encounter which were taking place almost on a daily basis, every morning that I would meet with Giulio Libutti in his office.

Q. And what would take place during these encounters with respect to Ms. LoRusso?

A. The situation that LoRusso had to be terminated.

Q. And did Mr. Libutti tell you why Ms. LoRusso had to be terminated?

A. It was part of the program and conspiracy since he arrived in New York, I would say after a month started, not just with Ms. LoRusso.

Q. What was this conspiracy?

A. Certain employees had to be terminated.

Q. The decision to terminate these certain employees was based on what?

A. I believe I answered already those questions, but I repeat. Was more than one reason, age, gay, lesbian, and people that were not accepted in terms of character and was defined as cordate.

Q. What does cordate mean in English?

A. I don't know. Cordate means group of people, you know, bunch of people that have the same objective. If you are a friend of mine, part of

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